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**ELECTRONICALLY FILED**  
**June 30, 2014**

11 Attorney for Debtors  
12 ANTHONY THOMAS and WENDI  
13 THOMAS and AT EMERALD, LLC

14  
15 UNITED STATES BANKRUPTCY COURT

16 DISTRICT OF NEVADA

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18  
19 In Re: Case No. BK-N-14-50333-BTB  
20 ANTHONY THOMAS and Case No. BK-N-14-50331-BTB  
21 WENDI THOMAS, Chapter 11 Cases  
22 AT EMERALD, LLC, [Jointly Administered]  
23  
24 Debtors, **REPLY TO LIMITED OBJECTION TO**  
25 **MOTION TO SELL ASSETS FREE**  
26 **AND CLEAR OF LIENS**  
27  
28 \_\_\_\_\_ / Hearing Date: July 1, 2014  
Hearing Time: 2:30 p.m.

19 Debtor, AT EMERALD, LLC, a Nevada limited liability company (hereinafter the  
20 “Debtor”), by and through its undersigned counsel, Holly E. Estes, Esq., of the Law Offices  
21 of Alan R. Smith, hereby files its reply to Limited Objection To Motion To Sell Assets Free  
22 And Clear Of Liens [DE 101] (the “Opposition”). This reply is made and based upon the  
23 following points and authorities.

24 **POINTS AND AUTHORITIES**

25 1. The Debtor, AT Emerald, LLC, filed its Motion To Sell Assets Free And Clear  
26 Of Liens And Motion To File Purchase And Sale Agreement Under Seal [DE 83] (the “Sale  
27 Motion”) on June 23, 2014.

28 2. On March 4, 2014, Anthony Thomas and Wendi Thomas filed their bankruptcy

petition.

3. On June 12, 2014, Kenmark Ventures, LLC (“Kenmark”), filed a proof of claim in the amount of \$4,500,000.00 [Claim No. 7] in the Anthony Thomas and Wendi Thomas bankruptcy case, case number BK-N-14-50333-BTB.

4. On June 27, 2014, Kenmark filed its Opposition.

Kenmark is a creditor of Anthony and Wendi Thomas, and not a creditor of AT Emerald. Kenmark has not established that it has standing to object to the Sale Motion. Kenmark incorrectly states that it objects to the motion of “Anthony Thomas and Wendi Thomas to sell assets free and clear of liens.” The Sale Motion was filed by AT Emerald, LLC.

Further, Kenmark has failed to substantiate its proof of claim filed against Anthony Thomas and Wendi Thomas. Attached to both the filed proof of claim and the Opposition is a proposed stipulated judgement in the amount of \$4,500,000 with interest to accrue at the rate of 10% per annum from the date of entry of the judgement. A judgement has not been entered. Anthony and Wendi Thomas still have time to object to the Kenmark filed proof of claim.

Anthony and Wendi Thomas are agreeable to placing \$4,500,000.00 in sales proceeds into the trust account of the Law Offices of Alan R. Smith pending resolution of any dispute surrounding the Kenmark claim.

DATED this 30th day of June, 2014.

LAW OFFICES OF ALAN R. SMITH

By: /s/ Alan R. Smith

ALAN R. SMITH, ESQ.

Attorney for Debtor